

# CCH Finance Committee Meeting December 20 18

Ekerete Akpan  
CFO



COOK COUNTY  
**HEALTH**



# Mission

To deliver integrated health services with dignity and respect regardless of a patient's ability to pay; foster partnerships with other health providers and communities to enhance the health of the public; and advocate for policies that promote the physical, mental and social well being of the people of Cook County.



# Agenda

1. Systemwide Financials & Stats
  - a. Financials
  - b. Observations
  - c. Financial / Revenue Cycle metrics
2. CCH Provider Service Financials & Stats
3. CountyCare Financials & Stats
4. Correctional Health services Financials & Stats
5. Department of Public Health Financials & Stats
6. Administration Financials



# Systemwide Financial Statements





# Income Statement for the Eleven Months ended Oct-2018(in thousands)

	Year-To-Date		Variance	
	Actual	Budget	\$	%
<b><u>Operating Revenue</u></b>				
Net Patient Service Revenue	573,329	604,084	(30,755)	-5%
CountyCare Capitation Revenue	1,747,315	1,672,551	74,764	4%
Access Payments	103,260	82,500	20,760	25%
Other Revenue	13,009	10,084	2,925	29%
<b>Total Operating Rev</b>	<b>2,436,912</b>	<b>2,369,219</b>	<b>67,694</b>	<b>3%</b>
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	581,320	609,762	28,442	5%
Overtime	40,071	33,202	(6,868)	-21%
Pension*	223,082	223,082	(0)	
Supplies & Materials	76,843	61,369	(15,474)	-25%
Pharmaceutical Supplies	85,708	72,344	(13,364)	-18%
Purch. Svs., Rental, Oth.	265,984	289,402	23,418	8%
External Claims Expense	1,481,443	1,358,235	(123,208)	-9%
Insurance Expense	20,502	24,136	3,634	15%
Depreciation	31,645	29,930	(1,715)	-6%
Utilities	11,182	10,721	(461)	-4%
<b>Total Operating Exp</b>	<b>2,817,780</b>	<b>2,712,184</b>	<b>(105,596)</b>	<b>-4%</b>
<b>Operating Margin</b>	<b>(380,867)</b>	<b>(342,965)</b>	<b>(37,902)</b>	<b>-11%</b>
<b>Operating Margin %</b>	<b>-16%</b>	<b>-14%</b>	<b>-1%</b>	<b>-8%</b>
<b>Non Operating Revenue</b>	<b>231,430</b>	<b>231,430</b>	<b>-</b>	<b>0%</b>
<b>Net Income/(Loss)</b>	<b>(149,437)</b>	<b>(111,535)</b>	<b>(37,902)</b>	<b>-34%</b>



# Observations

Operating Margin challenging to FY2018 budget but drivers to watch vs. same time FY17

- Primary Care visits are flat while Specialty Care visits up 7%
- Surgical Cases up 4% and slightly above FY2018 Target
- Inpatient Discharges down 12% and LOS 7% higher
- Emergency Department visits are flat
- Deliveries down 14%
- System-wide uninsured numbers, captured by visit held 42% (Provident 34%, ACHN 42%, Stroger 44%)
- System wide Financial / Revenue Cycle ratios are indicating sustained progress
- CountyCare contributes \$184.5M to CCH

# Financial Metrics

Metric	As of end Oct- 16/YTD	As of end Oct- 17/YTD	As of end Oct- 18/YTD	Target
Days Cash On Hand**	62	101	30	60*
Operating Margin***	-8.5%	-21.2%	-4.8%	-5.4%
Overtime as Percentage of Gross Salary	7.9%	7.7%	7.4%	5.0%
Average Age of Plant (Years)	21.1	22.2	24.4	10.7

\*Days Cash on Hand Target 60 days, Moody's 198 days . Overtime as percentage of Gross Salary Target 5% , Moody's 2%

\*\* Days Cash in Hand Point in time i.e. as of end October for each year

\*\*\*Excludes Pension Expense Target based on compare group consisting of 'like' health systems : Alameda Health System, Medtronic, Parkland Health & Hospital System, and UI Health



# Revenue Cycle Metrics

Metric	Average FYTD 2018	Oct-18	Nov-18	Benchmark/ Target
Average Days in Accounts Receivable <i>(lower is better)</i>	106	86	85	45.85– 54.9*
Discharged Not Finally Billed Days <i>(lower is better)</i>	7.9	6.9	8.1	7.0
Claims Initial Denials Percentage <i>(lower is better)</i>	27%	19%	20%	20%

## Definitions:

**Average Days in Accounts Receivable** Total accounts receivable over average daily revenue

**Discharged Not Finally Billed Days** Total charges of discharge not finally billed over average daily revenue

**Claims Initial Denials Percentage** Percentage of claims denied initially compared to total claims submitted.

\* Source HFMA Key Hospital Statistics and Ratio Margins, 2014





# Provider of Care Services Financial and Operational Statistics



# Income Statement for the Eleven Months ended Oct-2018(in thousands)

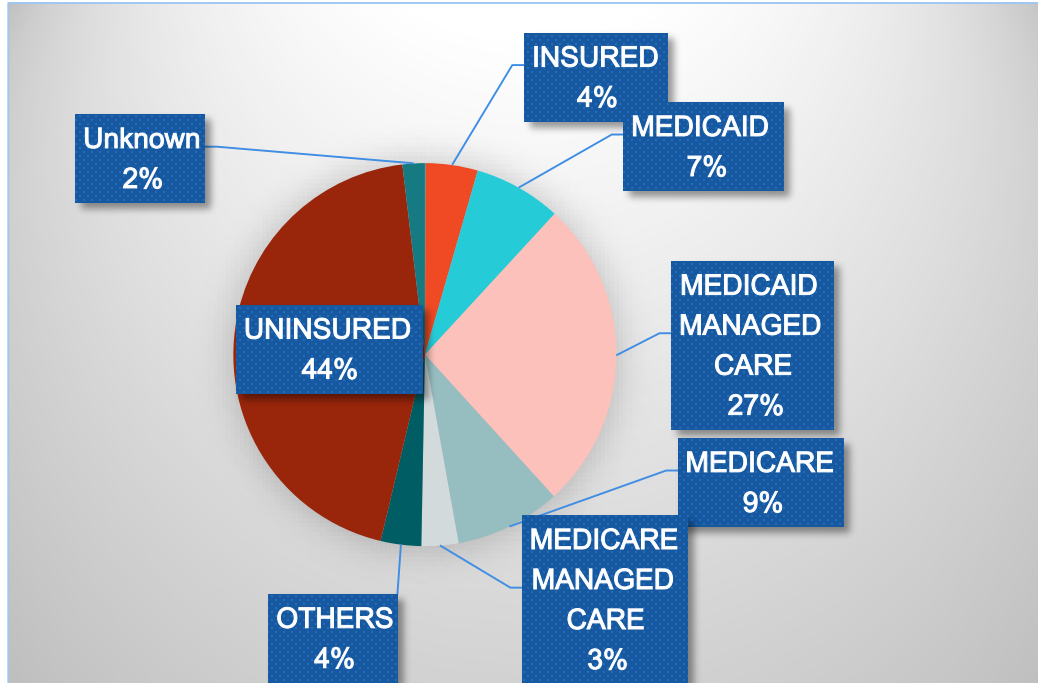
CCH Providers	Year-To-Date		Variance	
	Actual	Budget	\$	%
<b><u>Operating Revenue</u></b>				
Net Patient Service Revenue	573,329	604,084	(30,755)	-5%
Access Payments	103,260	82,500	20,760	25%
Other Revenue	11,013	8,537	2,477	29%
<b>Total Operating Rev</b>	<b>687,602</b>	<b>695,120</b>	<b>(7,518)</b>	<b>-1%</b>
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	480,200	484,675	4,475	1%
Overtime	33,651	28,125	(5,526)	-20%
Pension*	181,982	181,982	-	-
Supplies & Materials	72,059	57,703	(14,356)	-25%
Pharmaceutical Supplies	78,456	65,626	(12,830)	-20%
Purch. Svs., Rental, Oth.	178,367	179,294	927	1%
Insurance Expense	20,502	24,136	3,634	15%
Depreciation	19,715	19,717	2	0%
Utilities	11,136	10,390	(746)	-7%
<b>Total Operating Exp</b>	<b>1,076,069</b>	<b>1,051,399</b>	<b>(24,670)</b>	<b>-2%</b>
<b>Operating Margin</b>	<b>(388,467)</b>	<b>(356,278)</b>	<b>(32,188)</b>	<b>-9%</b>
<b>Operating Margin %</b>	<b>-56%</b>	<b>-51%</b>	<b>-5%</b>	<b>-10%</b>
<b><u>Non Operating Revenue</u></b>				
	<b>119,609</b>	<b>119,609</b>	<b>-</b>	<b>0%</b>
<b>Net Income/(Loss)</b>	<b>(268,858)</b>	<b>(236,669)</b>	<b>(32,188)</b>	<b>-14%</b>



# Revenue Statement for the Eleven Months ending Oct-2018 (in thousands)

CCH Providers	Year-To-Date <i>Actual</i>
Gross Revenue	1,576,195
<b><u>Adjustments</u></b>	
Contractual Adjustments	(540,796)
Charity Adjustments	(513,646)
<b>Total Adjustment</b>	<b>(1,054,443)</b>
Gross NPSR	521,753
Bad Debt Allowance	(213,375)
Adjusted NPSR	308,378
DSH	143,642
BIPA	121,310
Adjusted NPSR plus DSH and BIPA	573,329
Adjusted NPSR plus DSH and BIPA as a % of Gross Revenue	36%

# Stroger Operations Overview for Eleven Months ending October 2018



## Comments:

- Sustained surgical cases growth vs FY17 actuals
- Leadership continues to work on Observations and discharges via UM committee
- Trauma cases impacts some scheduled visits/procedures

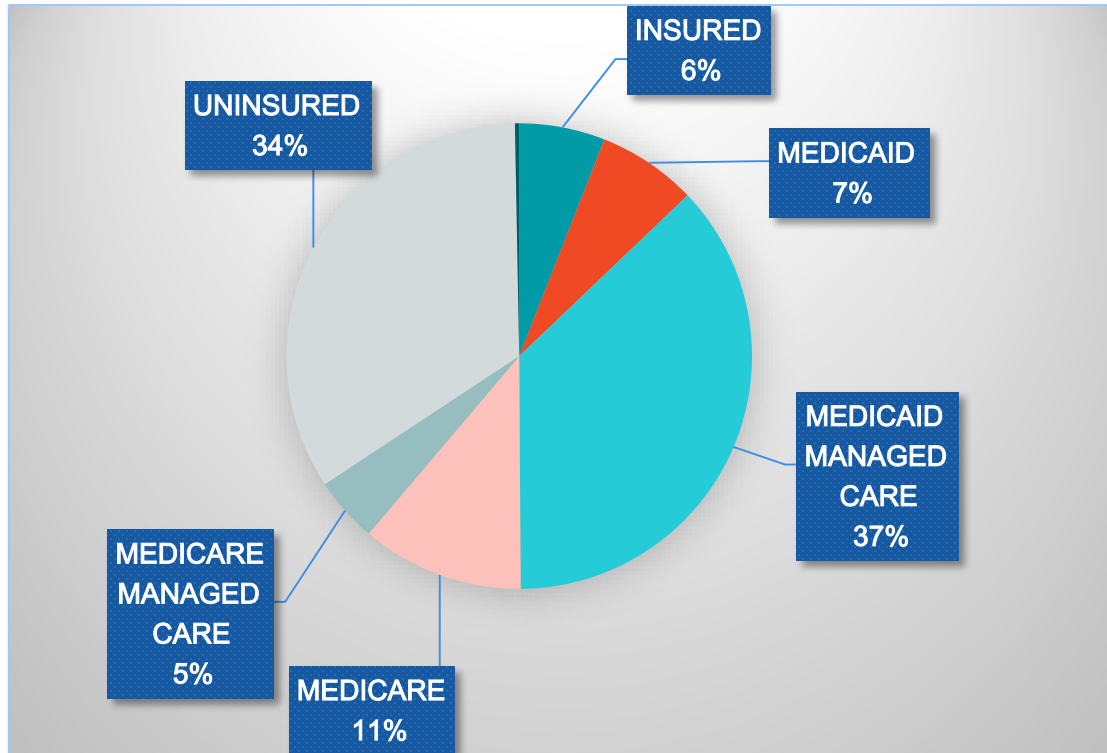
Inpatient/Observation-FYTD			
Measure	FY2018	FYTD Target	FY2017
Inpatient Discharges	16,356	18,568	18,520
- Long Stay Admissions	3,299	3,465	3,473
- One Day Admissions	875	1,122	1,089
Inpatient Days	79,822	87,681	88,001
Observation Discharges	9,480	7,909	7,909
Observation Days (Observation Discharge)	17,303	7,909	17,109
Avg LOS (Inpatient Discharge)	5.6	5.4	5.2
Surgical Cases	11,339	12,067	11,064
Radiology Tests	76,326	---	80,162
Deliveries	925	1,100	1,122

Emergency- FYTD			
Measure	FY2018	FYTD Target	FY2017
Emergency Visits	99,179	98,516	98,759
Adult Emergency Visits	92,745	92,213	92,417
Peds Emergency Visits	6,434	6,303	6,342
Trauma Visits	7,244	7,293	7,381
LWBS	5,800	5,841	5,890
Radiology Tests	56,325	---	59,174

Outpatient Clinic- FYTD			
Measure	FY2018	FYTD Target	FY2017
Total Registrations*	504,592	---	525,331
Total Provider Visits*	310,677	296,472	298,145
<b>Specialty/Diagnostic/Procedure Provider Visits</b>			
- Hospital-Based		10,582	
- Specialty Care/Fantus	196,528	164,272	182,071
- CORE	8,095	7,898	7,226
- Behavioral Health/Psych**	17,269	18,634	17,140
<b>Primary Care Provider Visits</b>			
- GMC	40,106	47,300	43,330
- Peds Primary	3,810	4,444	4,045
- CORE primary	17,414	19,525	17,722



# Provident Operations Overview for Eleven Months ending October 2018



## Comments:

- Leadership ongoing review of observation days & discharges, Left without being seen
- Sustained growth in surgical cases and specialties

Inpatient/Observation-FYTD			
Measure	FY2018	FYTD Target	FY2017
Inpatient Discharges	543	550	572
- Long Stay Admissions	109	110	114
- One Day Admissions	34	44	35
Inpatient Days	2,761	2,640	2,758
Observation Discharges	588	517	514
Observation Days (Observation Discharge)	1,145	1,089	1,215
Avg LOS (Inpatient Discharge)	5.7	5.2	5.2
Surgical Cases	2,455	2,090	2,139
Radiology Tests	1,757	---	1,813

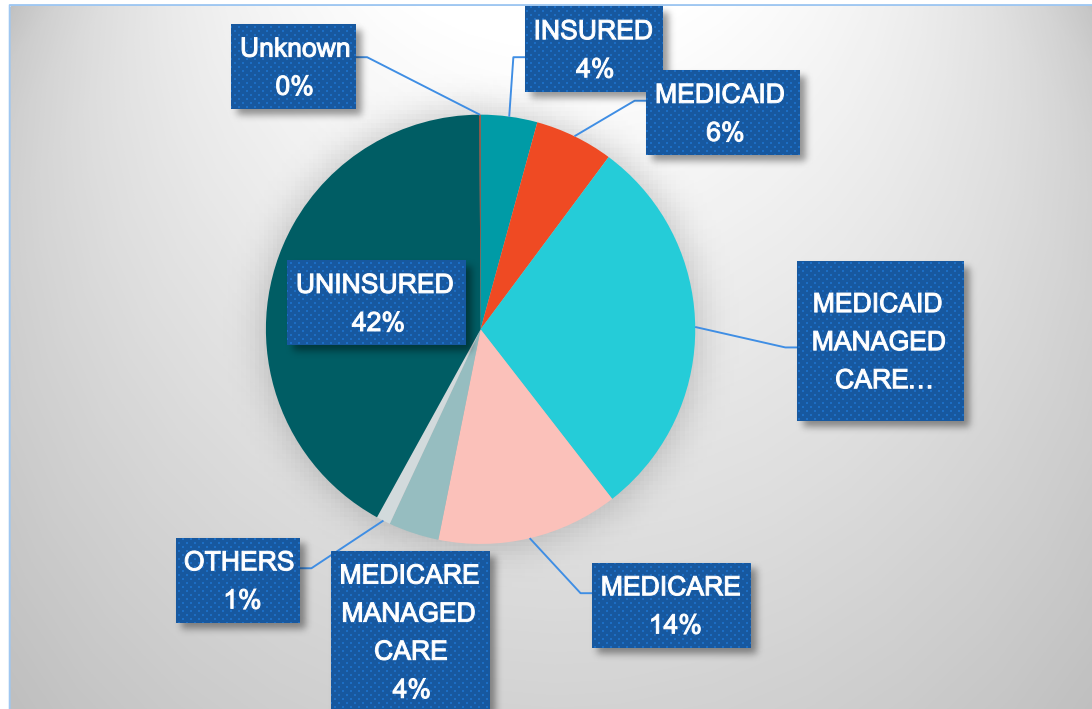
Emergency- FYTD			
Measure	FY2018	FYTD Target	FY2017
Emergency Visits	26,739	26,147	26,192
Adult Emergency Visits	25,168	24,486	24,527
Peds Emergency Visits	1,571	1,661	1,665
LWBS	1,907	1,133	1,131
Radiology Tests	13,749	---	13,499

Outpatient Clinic- FYTD			
Measure	FY2018	FYTD Target	FY2017
Total Registrations	21,838	20,526	18,603
Ambulatory of Provident	236	---	175
Sengstacke	15,123	16,775	15,495
Specialty/Diagnostic/Procedure Provider Visits		341	
Sengstacke (excludes psych)	18,680	15,268	14,645
Radiology Tests	8,280	---	7,322





# ACHN Operations Overview for Eleven Months ending October 2018



## Comments :

- Leadership undertaking review of specialty and primary care visits volumes and throughput.
- Visits increased at 3 Health Centers, (Vista, Logan Square and Oak Forest) exceeding FY18 Target.

\*excludes Roseland, Fantus, Stroger Specialty Care, CORE, Stroger-Hospital Based Clinics, Sengstacke GMC & Psych, Austin Behavioral Health, add Oral Health assuming all registrations are provider visits



**COOK COUNTY**  
**HEALTH**

ACHN Primary- FYTD			
Measure	FY2018	FYTD Target	FY2017
Austin	11,632	13,080	11,855
Children's Advocacy	418	545	489
Cicero	10,071	11,441	10,436
Cottage Grove	8,993	9,731	8,977
Englewood	10,498	12,111	11,121
Logan Square	12,607	12,309	11,004
Morton East	843	982	874
Near South	12,628	13,866	12,581
Oak Forest	13,699	13,416	12,265
Prieto	14,927	19,544	17,742
Professional Bldg	546	---	-
Robbins	9,085	10,093	9,270
Vista	10,333	9,011	7,979
Woodlawn	8,154	9,262	8,395
Total Primary Care Provider Visits	124,434	135,390	122,988

ACHN Specialty- FYTD			
Measure	FY2018	FYTD Target	FY2017
Austin (OBGYN)	513	506	474
Cicero (OBGYN & Fam Plan)	1,344	1,463	1,337
Logan Square (OBGYN)	1,029	1,067	944
Oak Forest	25,331	23,617	23,991
Oral Health (reg count only)	4,721	3,872	4,303
Total Specialty Care Provider Visits	32,938	30,525	31,049

ACHN Total- FYTD			
Measure	FY2018	FYTD Target	FY2017
Total Registrations*	277,459	---	283,383
Total Provider Visits*	187,803	209,759	187,610

# CountyCare Health Plan Financial and Operational Statistics

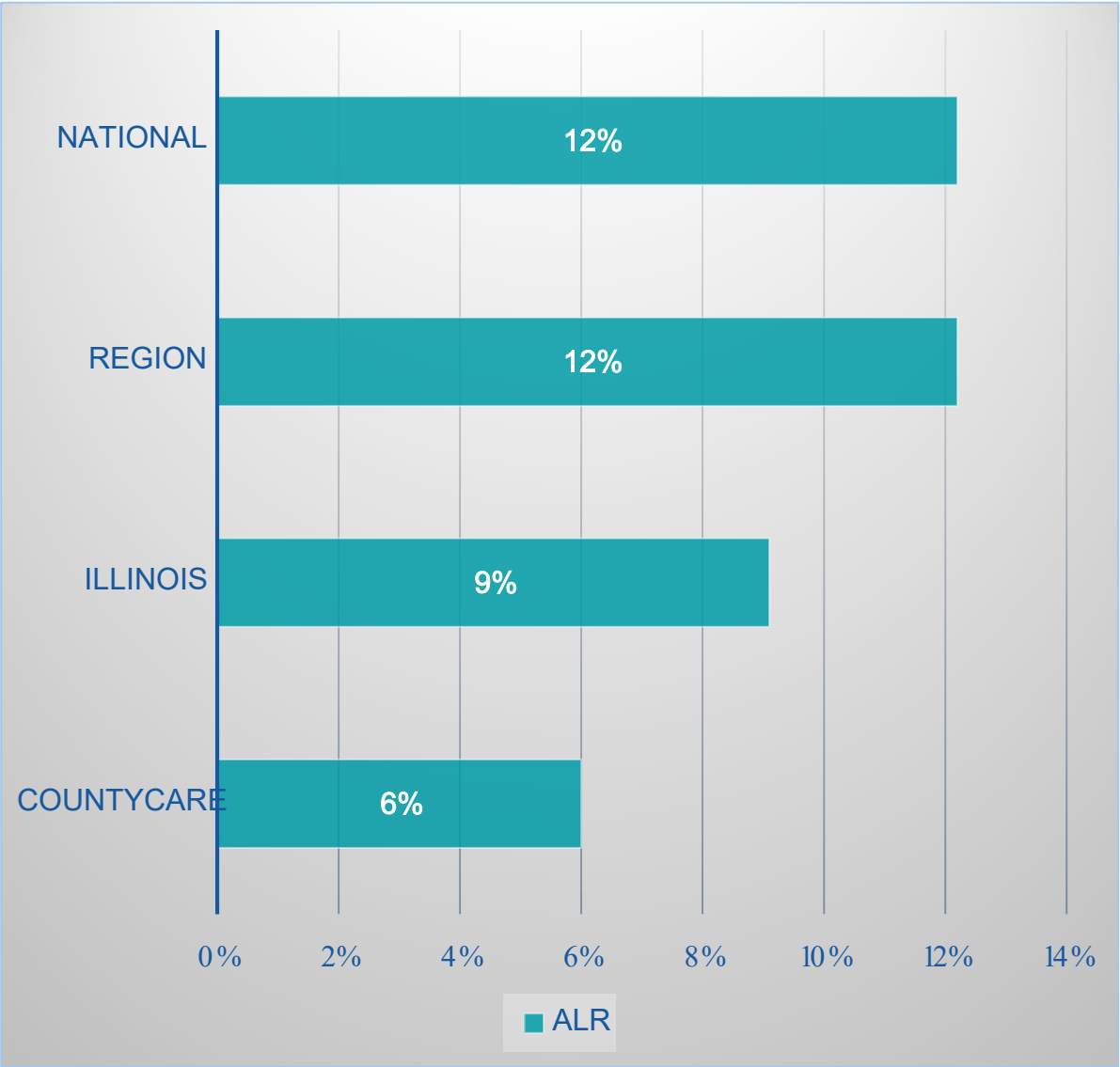


# Income Statement for the Eleven Months ended Oct-2018(in thousands)

	<b>Year to Date</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Member Months	3,363	2,250	1,113
<b>Total Revenue</b>	<b>1,779,481</b>	<b>1,140,885</b>	<b>638,596</b>
<b>Expense</b>			
<b>Total Admin Expenses</b>	<b>73,041</b>	<b>54,418</b>	<b>(18,623)</b>
<b>CCHHS Clinical Expenses</b>			
Claims	152,226	98,843	(53,382)
Pharmacy Claims	25,738	71,008	45,269
Care Management	7,179	14,025	6,846
<b>Total CCHHS Clinical Expenses</b>	<b>185,143</b>	<b>183,876</b>	<b>(1,267)</b>
<b>External Clinical Expenses</b>			
Claims	938,619	575,258	(363,361)
Hospital Supplemental Access Pmt	145,025	-	(145,025)
Pharmacy Claims	278,336	217,371	(60,965)
Care Management	57,568	25,658	(31,910)
Dental Claims	38,883	18,315	(20,568)
Transportation Claims	14,151	12,375	(1,776)
Optical Claims	7,434	2,104	(5,331)
Member Incentives	1,428	-	(1,428)
<b>Total External Clinical Expenses</b>	<b>1,481,443</b>	<b>851,080</b>	<b>(630,363)</b>
<b>Total Clinical Expenses</b>	<b>1,666,586</b>	<b>1,034,956</b>	<b>(631,630)</b>
<b>Total Expenses</b>	<b>1,739,626</b>	<b>1,089,374</b>	<b>(650,252)</b>
Net Income Before Rate Adjustment	39,854	51,510	(11,656)
<b>Medical Loss Ratio (MLR)</b>	<b>94%</b>	<b>91%</b>	<b>3%</b>
Net Income Before Prior Period Adj/IGT	39,854	51,510	(11,656)
IGT	32,166	31,260	906
Amortization	8,337	8,337	-
<b>Net Income After IGT And Amortization</b>	<b>(649)</b>	<b>11,914</b>	<b>(12,563)</b>



# CountyCare Operations Stats for the Eleven Months ending October 2018



## Comments

- CountyCare Medical Loss Ratio is better than National and Regional, sustained 94% YTD.
- With 333,704 members in October 2018 , CountyCare is the stilllargest Medicaid Managed Care plan in Cook County.
- CountyCare contributed \$184.5Mo CCHHS



# Correctional Health Services Financial and Operational Statistics



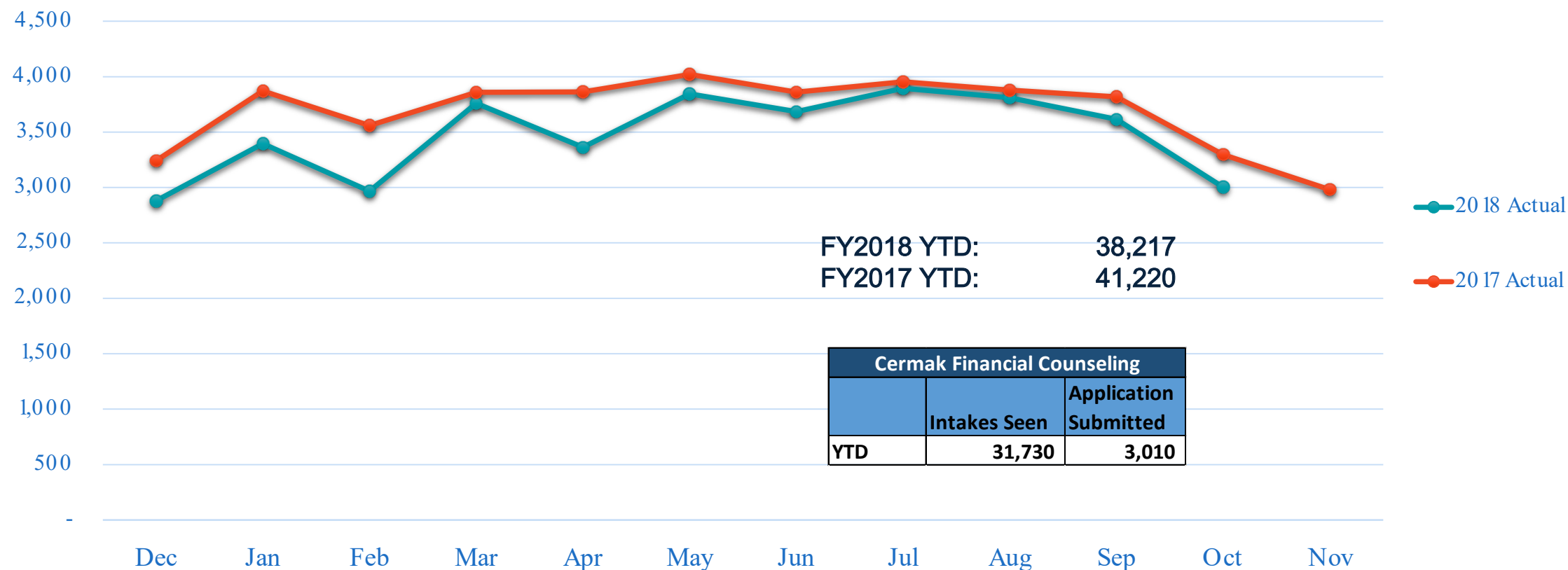


# Income Statement for the Eleven Months ended Oct-2018(in thousands)

Correctional Health Services	Year-To-Date		Variance	
	Actual	Budget	\$	%
<b>Total Operating Rev</b>	177	137	40	29%
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	52,529	60,763	8,234	14%
Overtime	5,832	4,681	(1,150)	-25%
Pension*	19,741	19,741	-	
Supplies & Materials	3,015	1,057	(1,958)	-185%
Supplies	7,252	6,700	(552)	-8%
Purch. Svs., Rental, Oth.	7,885	8,640	756	9%
Depreciation	95	95	0	0%
<b>Total Operating Exp</b>	96,348	101,677	5,328	5%
<b>Operating Margin</b>	(96,171)	(101,540)	5,368	5%
<b>Operating Margin %</b>	na	na	na	na
<b>Revenue</b>	97,815	97,815	-	0%
<b>Net Income/(Loss)</b>	1,643	(3,725)	5,368	144%

# Correctional Health Operation Overview forElevenMonths ending October 2018

## Total Intakes



**Comments;**

- Fewer but more resource intense detainees, increases experienced in Health requests per patient with top 3 referrals in Oral Surgery, Ear Nose & Throat as well as Hand Clinic
- Continued success around screening and financial counselling to ensure continuity of care

# Cook County Dept. of Public Health Financial and Operational Statistics



# Income Statement for the Eleven Months ended Oct-2018(in thousands)

COOK COUNTY PUBLIC HEALTH	Year-To-Date		Variance	
	<i>Actual</i>	<i>Budget</i>	\$	%
<b>Total Operating Rev</b>	1,819	1,389	429	31%
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	8,286	9,926	1,641	17%
Overtime	4	6	2	33%
Pension*	3,075	3,183	108	3%
Supplies & Materials	17	119	102	86%
Oth.	551	568	17	3%
Depreciation	2	2	0	0%
Utilities	46	331	285	86%
<b>Total Operating Exp</b>	11,982	14,136	2,154	15%
<b>Operating Margin</b>	(10,163)	(12,747)	2,583	20%
<b>Operating Margin %</b>	na	na	na	na
<b>Revenue</b>	2,017	2,017	-	0%
<b>Net Income/(Loss)</b>	(8,146)	(10,730)	2,583	24%



# CCDPH Operation Overview for Eleven Months ending October 2018

	Program Title	Metric	YTD Thru Oct 18
Public Health	Administration	Percent of high risk infant APORS (Adverse Pregnancy Outcome Reporting System) referrals received that are contacted for follow up by the Public Health Nurse within 14 calendar days of referral	90%
		Cost per county residents served	\$5.35
	Environmental Health	Cost per Inspection Efficiency	\$209.00
		Time from receipt of Chlamydia or gonorrhea report to field (days)	5
	Communicable Diseases	Percent of food establishments with isolated illness complaints within a contracted community or unincorporated Suburban Cook County that are inspected within 2 business days of receipt of complaint	100%

	Program Title	Metric	YTD Thru Oct 18
Lead Poisoning Prevention	Lead Poisoning Prevention	Percentage of cases with elevated blood levels visited within the timeline provided in protocols Efficiency	62%
		Percentage of cases with elevated blood lead levels who receive joint nursing and environmental risk assessment visit Outcome	52%

	Program Title	Metric	YTD Thru Oct 18
TB Program	TB Program	Number of completed Direct Observation Treatments (DOT) Outcome	92%



# CCH Administration Financial Statements



# Income Statement for the Eleven Months ended Oct-2018 (in thousands)

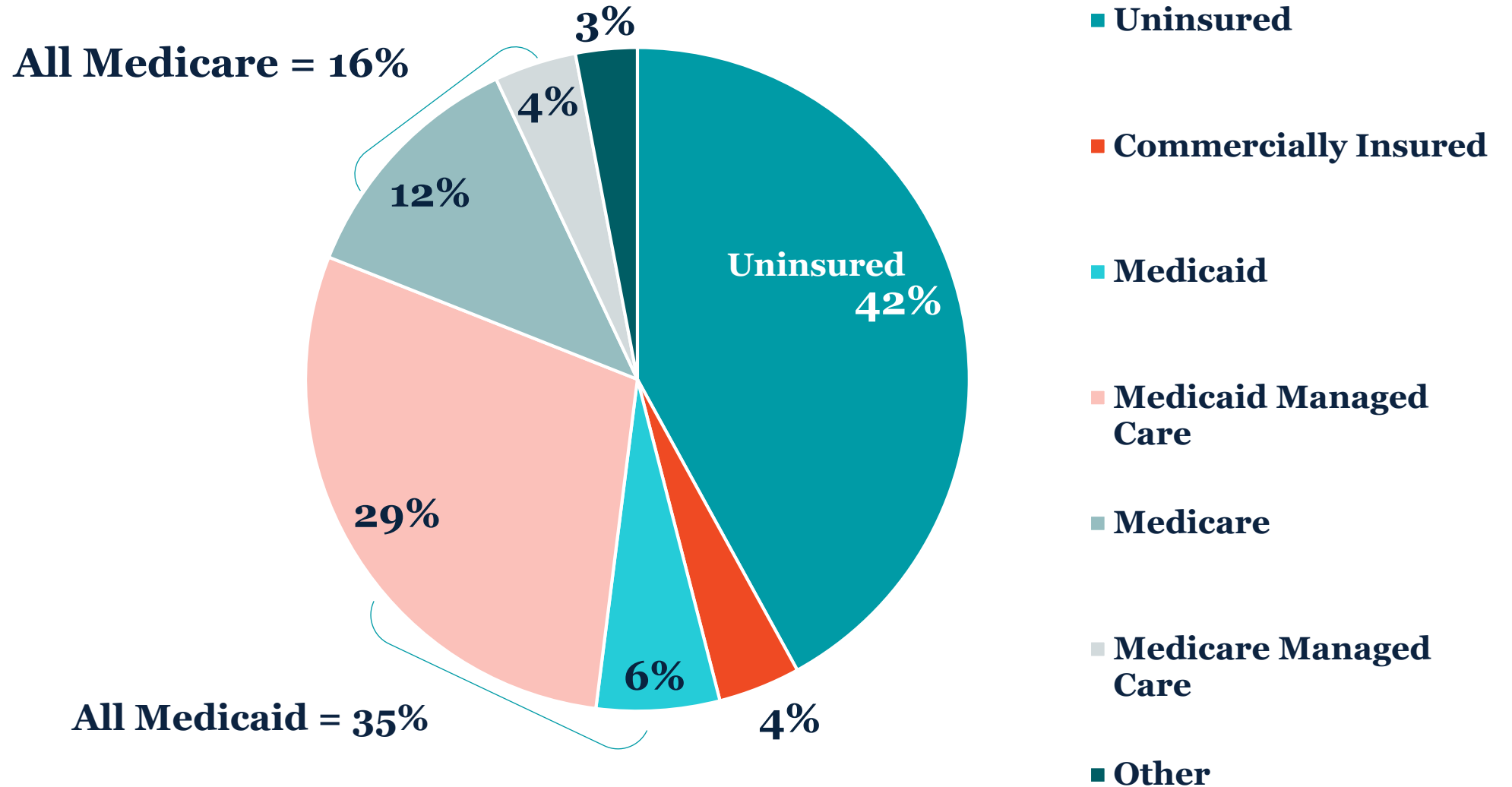
<u>Administration</u>	Year-To-Date		Variance	
	<i>Actual</i>	<i>Budget</i>	%	\$
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	36,075	42,044	14%	5,969
Overtime	542	367	-48%	(175)
Pension*	13,663	14,280	4%	617
Supplies & Materials	1,751	1,607	-9%	(144)
Purch. Svs., Rental, Oth.	10,412	15,585	33%	5,173
Depreciation	3,496	3,496	0%	0
<b>Total Operating Exp</b>	<b>65,939</b>	<b>77,379</b>	<b>15%</b>	<b>11,441</b>
<b>Operating Margin</b>	<b>(65,939)</b>	<b>(77,379)</b>	<b>15%</b>	<b>11,441</b>
<b>Non Operating Revenue</b>	<b>8,959</b>	<b>8,959</b>	<b>0%</b>	<b>0%</b>
<b>Net Income/(Loss)</b>	<b>(56,979)</b>	<b>(68,420)</b>	<b>17%</b>	<b>11,441</b>

# Appendix

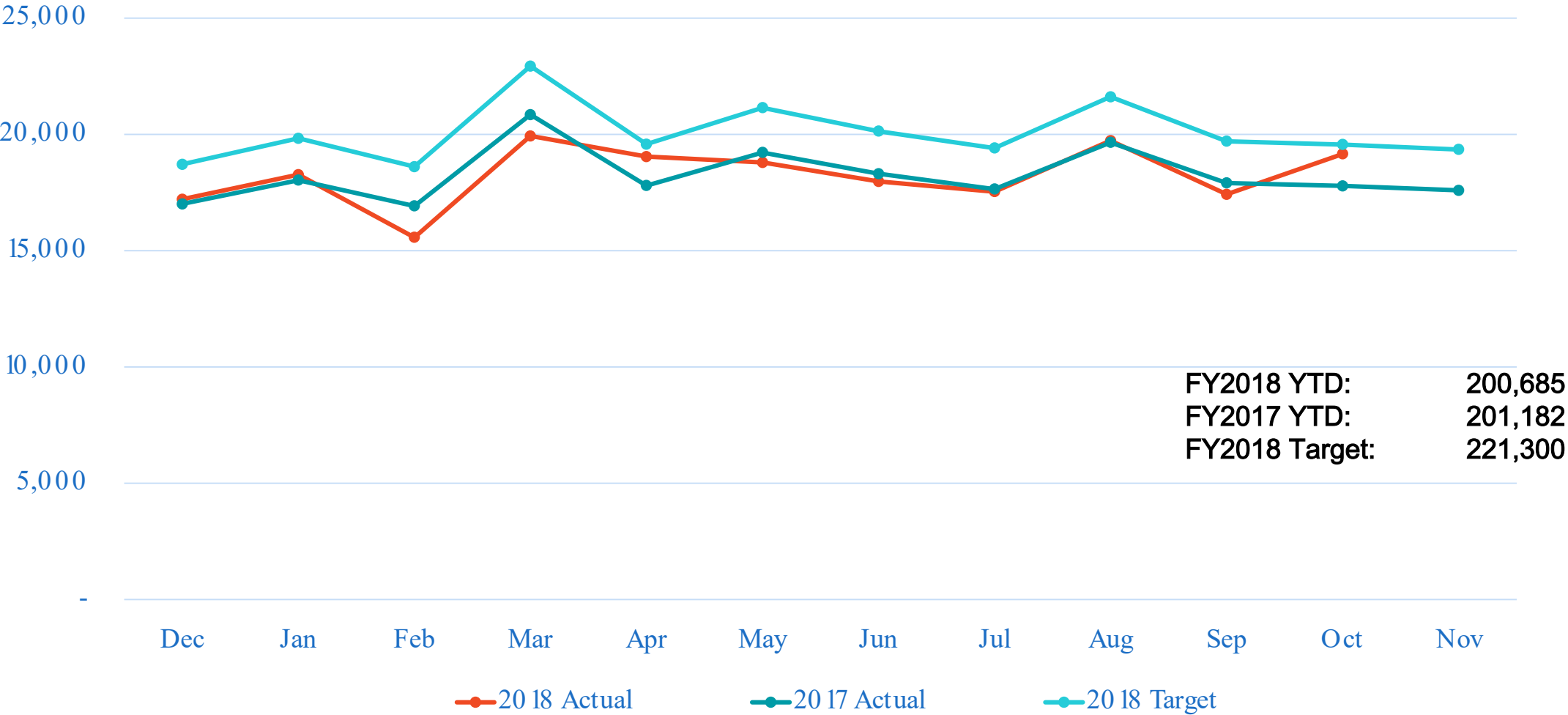
## Systemwide Volumes / Stats



# System Payor Mix By Visit

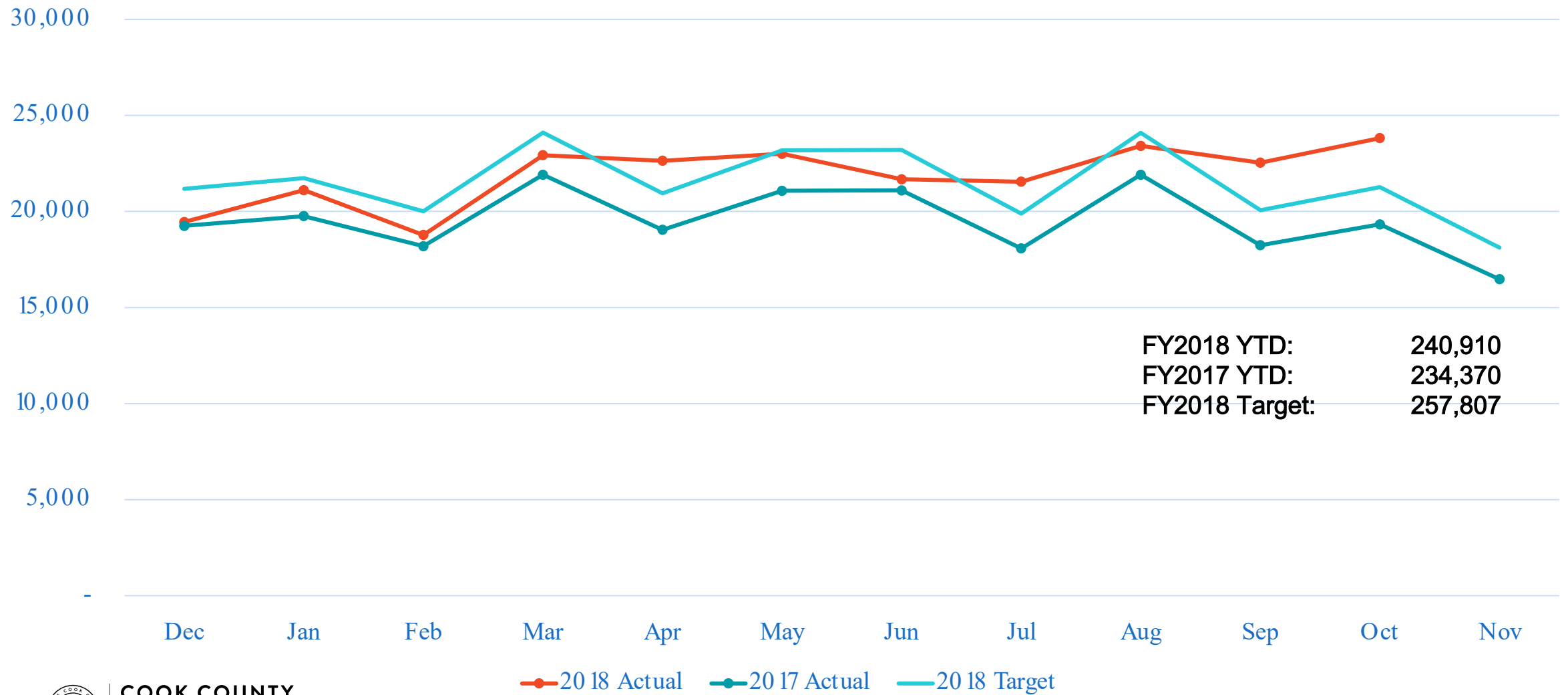


# Primary Care Provider Visits

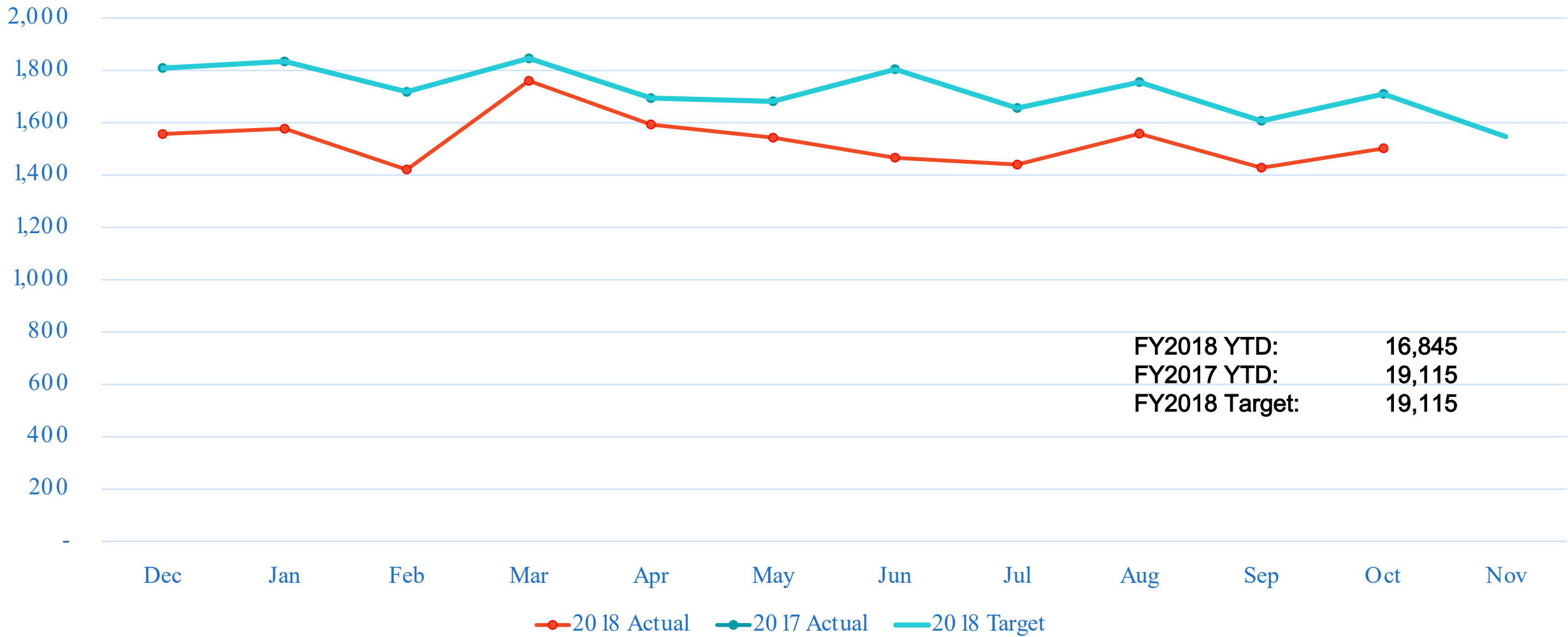




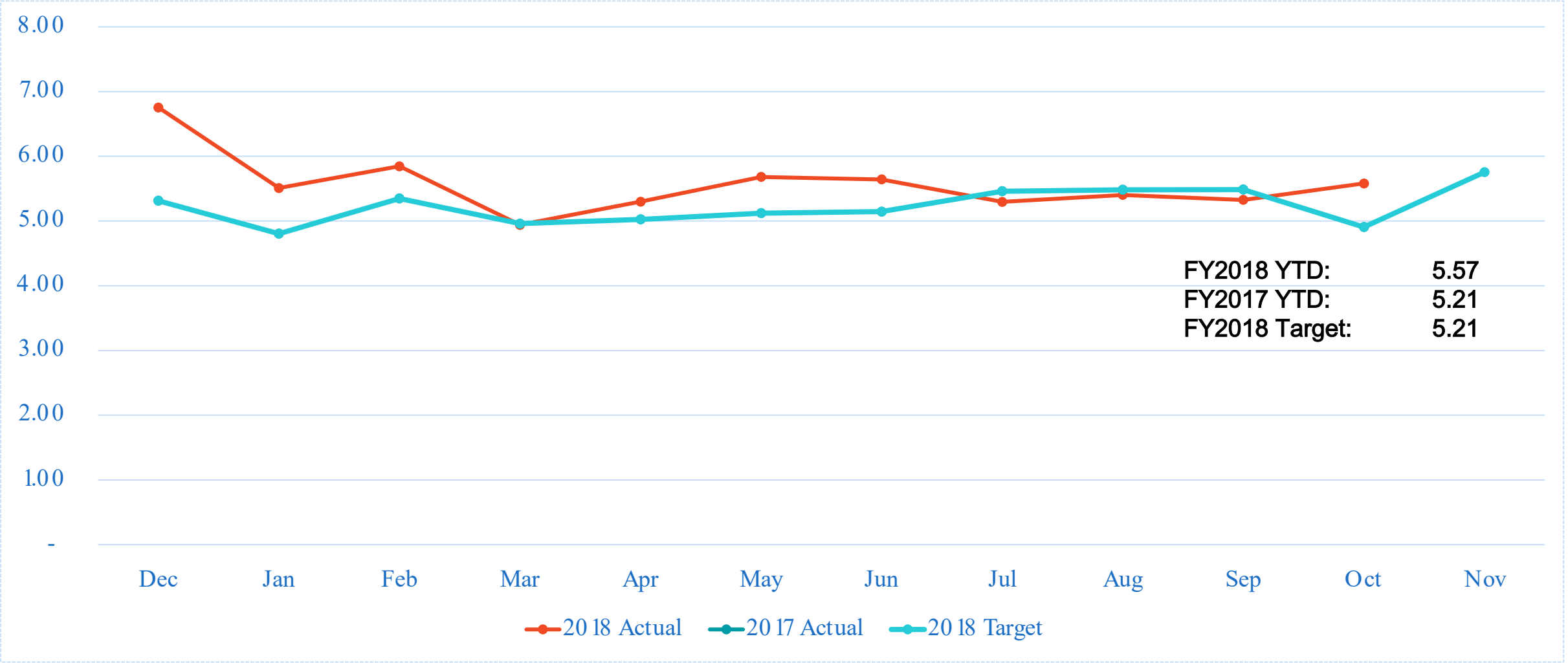
# Specialty Care Provider Visits



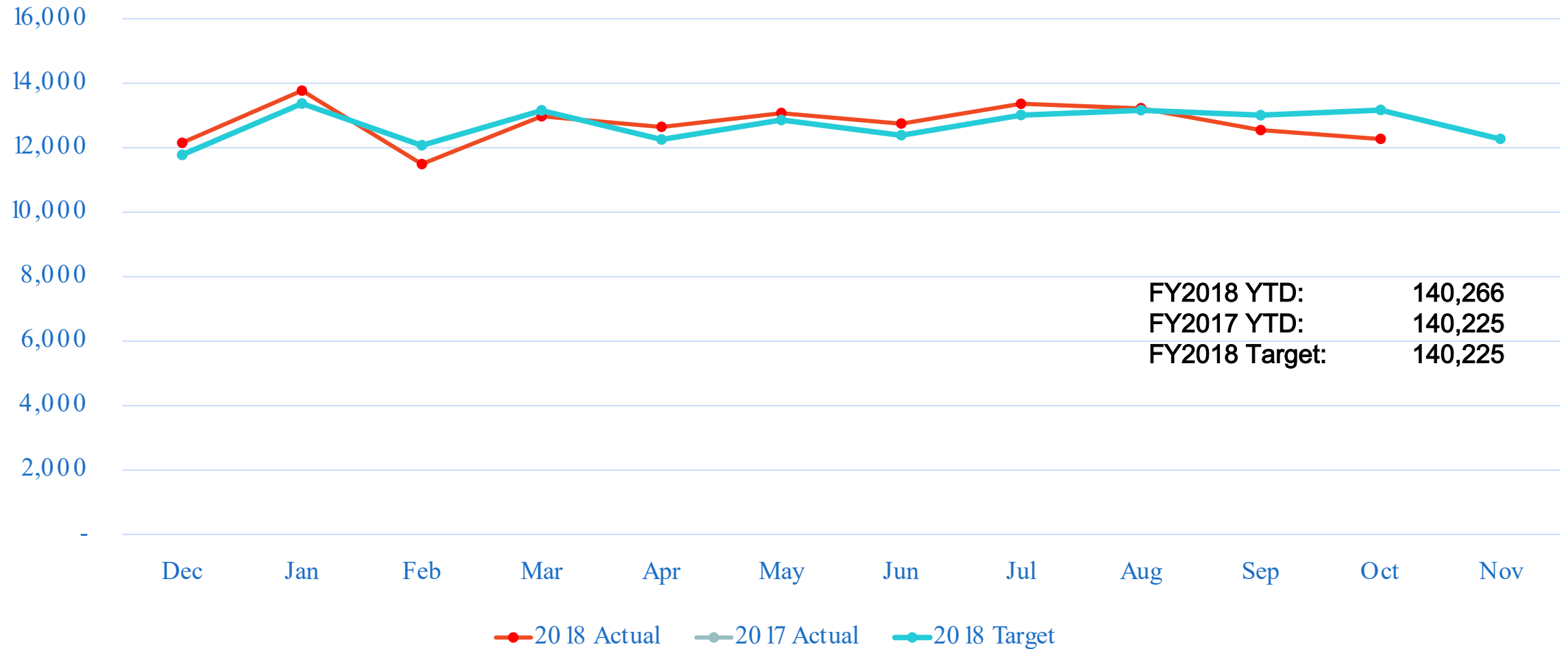
# Total Inpatient Discharges



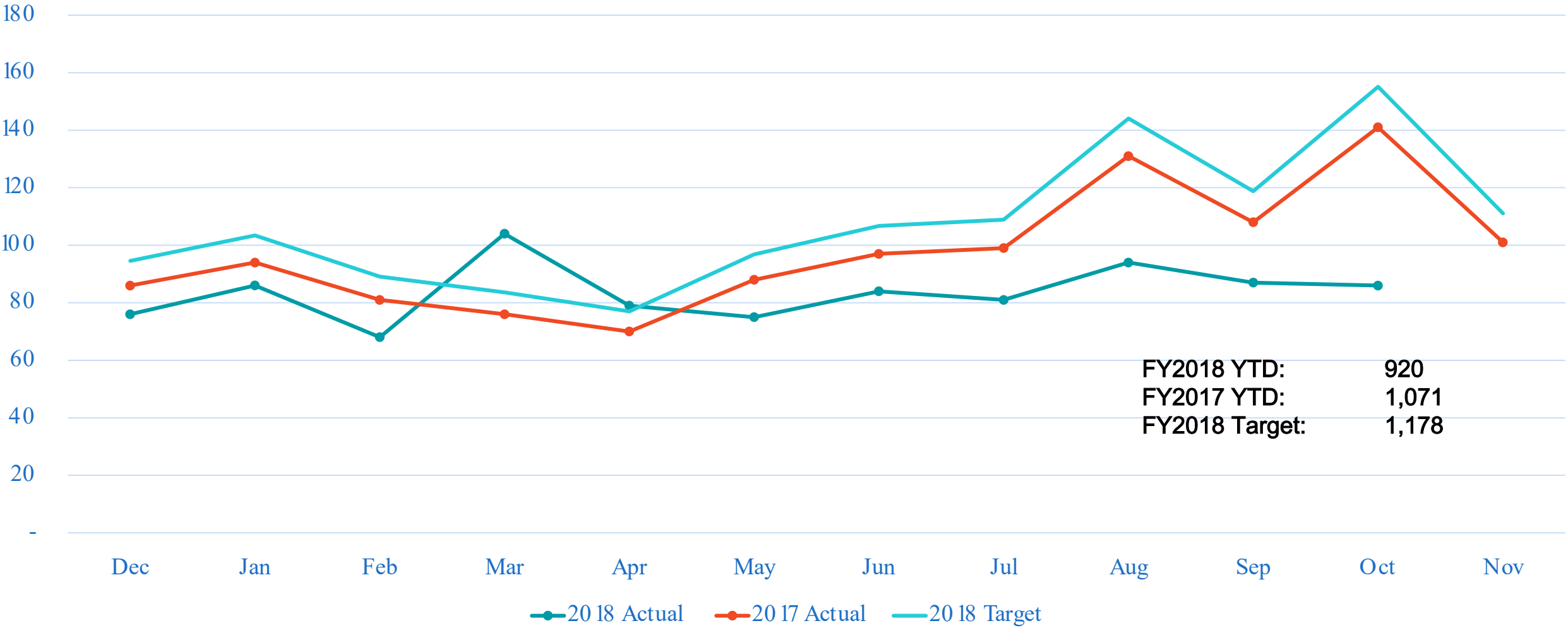
# Average Length of Stay



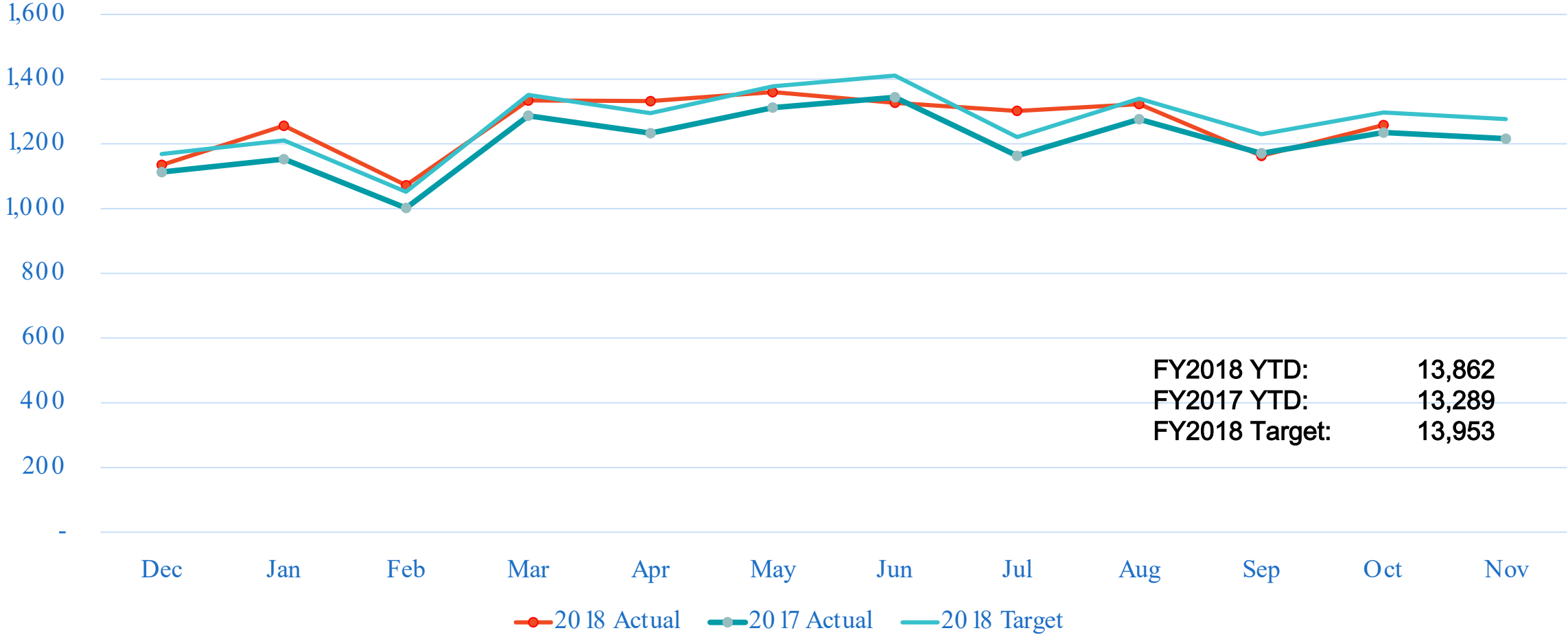
# Total Emergency Room Visits



# Total Deliveries



# Total Surgical Cases





# Questions?



COOK COUNTY  
**HEALTH**